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JON S. CORZINE
GOVERNOR

February 27, 2009

The Honorable Steven Chu
Secretary
United States Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Re: State Energy Program Assurances

Dear Secretary Chu:

Pursuant to Section 410 of the American Recovery and Reinvestment Act of 2009, H.R. 1, I am hereby notifying you that I have obtained the following assurances:

1. The New Jersey Board of Public Utilities, which is the New Jersey regulatory agency with ratemaking authority over electric and gas public utilities, has assured me that it will seek to implement, in appropriate proceedings for each electric and gas public utility, a general policy that aligns utility financial incentives with helping their customers use energy more efficiently, that provides timely cost recovery and a timely earnings opportunity for utilities associated with cost-effective measurable and verifiable efficiency savings, and that does so in a way that sustains or enhances utility customers' incentives to use energy more efficiently.

2. The State of New Jersey, through the Commissioner of the Department of Community Affairs, which is the New Jersey agency with authority to adopt building codes, will implement the following through the energy subcode of the New Jersey Uniform Construction Code:

(A) A building energy code (or codes) for residential buildings that meets or exceeds the most recently published International Energy Conservation Code, or achieves equivalent or greater energy savings;

(B) A building energy code (or codes) for commercial buildings throughout the State that meets or exceeds the ANSI/ASHRAE/IESNA Standard 90.1-2007, or achieves equivalent or greater energy savings; and

(C) A plan for achieving compliance throughout the State of New Jersey with the building energy code or codes described in subparagraphs (A) and (B) within 8 years of the date of enactment of the American Recovery and Reinvestment Act of 2009 in at least 90 percent of new and renovated residential and commercial building space. The plan will include active training and enforcement programs and measurement of the rate of compliance each year.

3. With respect to the additional grants under part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6321, et seq.), from amounts appropriated under the heading "Department of Energy—Energy Programs—Energy Efficiency and Renewable Energy" in Title IV of the American Recovery and Reinvestment Act of 2009, New Jersey will to the extent practicable prioritize the grants toward funding energy efficiency and renewable energy programs, including:

(A) the expansion of existing energy efficiency programs approved by the State or the appropriate regulatory authority, including energy efficiency retrofits of buildings and industrial facilities, that are funded by the State, or that are funded through rates under the oversight of the New Jersey Board of Public Utilities, to the extent applicable;

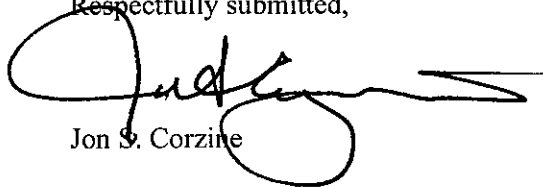
(B) the expansion of existing programs, approved by the State or by the New Jersey Board of Public Utilities, to support renewable energy projects and deployment activities, including programs operated by entities which have the authority and capability to manage and distribute grants, loans, performance incentives, and other forms of financial assistance; and

(C) cooperation and joint activities between States to advance more efficient and effective use of this funding to support the priorities described in this paragraph.

Our State is committed to a robust improvement in energy efficiency and renewable energy, as well as a balanced State energy policy. I want to assure you that, within the limits of my authority, we will move forward in these critical areas.

We look forward to the distribution of the Federal State Energy Program funds to further progress in New Jersey on energy efficiency and renewable energy.

Respectfully submitted,



Jon S. Corzine

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cc: Mr. Gil Sperling
Director, Office of Weatherization and Intergovernmental Programs
U.S. Department of Energy
Ms. Jeanne M. Fox
President, Board of Public Utilities
Mr. David Terry
Executive Director, National Association of State Energy Officials